

MAKE THE MOST OF THESE PLAN **enhancements**

US Army NAF Employee 401(k) Savings Plan

US Army NAF Employee Benefits Office is pleased to announce several enhancements to the US Army NAF Employee 401(k) Savings Plan. We've added more services through Fidelity NetBenefits® at www.401k.com, so accessing and managing your 401(k) Plan will be easier and more convenient than ever before!

access THE FOLLOWING NEW SERVICES BY LOGGING
ON TO FIDELITY NETBENEFITS® AT **www.401k.com**

Fidelity Retirement Income Planner

No matter where you are on the path to retirement, Fidelity's Retirement Planning Tools can help you quickly and easily understand if you could have enough to retire.

If you're saving for retirement:

Quick Check. See a snapshot of your current savings and the income they may generate in retirement. (Takes 2 minutes.)

If you're in or approaching retirement:

Income Estimator. Estimate how much pretax income you may be able to safely withdraw from your Fidelity accounts throughout retirement. (Takes 5 minutes.)

Retirement Income Planner. Create a detailed retirement income plan that includes all assets, expenses, and income sources that may help you achieve your desired retirement lifestyle. (Takes 10–30 minutes.)

Simply go to Fidelity NetBenefits at **www.401k.com**. Select *Tools & Learning* from the homepage, then choose *Retirement Planning Tools* to find the tool that best meets your situation.

Fidelity PortfolioPlanner®

Fidelity's online guidance tools help you make more informed decisions about investing and planning for your future goals.

For more robust goal planning, the Fidelity PortfolioPlanner® retirement guidance tool lets you plan for up to 10 financial goals and check your progress toward meeting those goals. It can help you answer these questions:

- Can I retire early, or will I need to work right up to my normal retirement age?
- If I save \$50 more each month, will I be able to pay for my child's college education?
- If I'm buying a house in the next few years, should I change my asset allocation strategy?

Fidelity PortfolioPlanner also allows you to evaluate how different savings and investing decisions may affect the potential of meeting your goals.

To get started today, log on to Fidelity NetBenefits at **www.401k.com**, click on *Tools & Learning*, then select *Investing for the Future* under Tools.

Full View®

If you're like most people, your financial accounts are scattered in many different places. Your bank accounts are with one firm; your investment accounts are somewhere else. Wouldn't your life be so much simpler if you had a way to view them all together?

Full View® financial aggregation services give you a complete, up-to-date display of all your financial information on one secure, easy-to-view Web page. With a single logon to NetBenefits, you can access a consolidated view of your investment, bank, credit card, loan, and mortgage accounts from more than 2,100 financial institutions. Monitoring your finances has never been easier.

Take a look at the benefits. Full View:

- Allows you to access and monitor multiple accounts on line with a single click and one password
- Automatically imports non-Fidelity account information into Fidelity PortfolioPlanner®, the online planning tool
- Complements PortfolioPlanner by making it easier for you to create, implement, and maintain a complete plan for reaching your financial goals
- Updates Fidelity and non-Fidelity finances automatically

Register for Full View today. Visit NetBenefits at **www.401k.com** and click the *Full View* link in the *Portfolio Tools* area.



NetBenefitsSM redesign

We've made some exciting and important changes to NetBenefits.SM Now it helps you manage your accounts and retirement planning faster and more easily by giving you access to everything in one location. Here's how we've made NetBenefits even better:

- New central area for managing personal information and preferences
- Cleaner, simplified layout and language
- A total view of your retirement plan accounts and other investments
- Comprehensive tools tailored to meet your needs and preferences
- Easy access to investment research and analysis tools
- Graphical views of your portfolio, its performance, and your asset allocation

You'll also note some additional changes to the Savings & Retirement section:

- The Portfolio Investments page gives you multiple-viewing options of your account details for different perspectives on what you own
- The Portfolio Analysis page allows you to see your overall asset allocation and compare your portfolio with market benchmarks

NetBenefits at **www.401k.com**—working better than ever!

NetBenefitsSM shortcuts

You may use shortcuts to the most common account transaction areas within Fidelity NetBenefits at **<http://netbenefits.fidelity.com>**.

These shortcuts (called point-to-point links) are helpful if you are making quick changes and want to bypass the main account pages within NetBenefits. After going to the URL listed, enter your Social Security number (or Customer ID if you've set one up) and personal identification number (PIN) and you'll be taken directly to the page to make your transaction.

If you need to establish a PIN, just follow the system's automatic instructions the first time you call or go on line. Please bookmark these shortcuts on your computer.

To request an investment exchange:

<http://exchanges.netbenefits.com>

To change how your future contributions are being invested:

<http://contributions.netbenefits.com>

To review an online statement:

<http://onlinestatement.netbenefits.com>

To change the amount you contribute to the Plan:

<http://deductions.netbenefits.com>

Comprehensive online workshops

Fidelity offers you an array of online workshops designed to enhance your financial education.

Interactive Web Workshops

Do you want more information about how to make the most of your retirement savings plan or how to rebalance your account? If so, you'll want to take advantage of the latest educational resources available via the Web and to attend a regularly scheduled, presenter-led meeting on a topic of interest to you. You have your choice of two workshops:

Getting Started in Your Retirement Plan covers the benefits of participating in the 401(k) Plan, the basics of investing, and how to create an investment strategy. This workshop is designed for people who are new to investing or who haven't paid much attention to their retirement savings plan account in the past.

Rebalancing Your Portfolio covers developing a diverse portfolio, evaluating your investment options, and rebalancing strategies and techniques. This workshop is designed for people who want to learn how to manage their portfolio to maintain their investment strategy over time.



To attend a live, presenter-led workshop at a time and date convenient for you, go to <http://webworkshops.fidelity.com>, log in to Fidelity NetBenefits,[®] and check out the offerings. It's easy to register and worthwhile to attend.

Self-directed Web Workshops

At the Fidelity e-Learning[®] site at <http://e-learning.fidelity.com> you will find self-paced, Web-based workshops that provide the tools, information, and education you need to make the most of your retirement savings plan. Interactive calculators and quizzes help you learn by applying your personal information and knowledge.

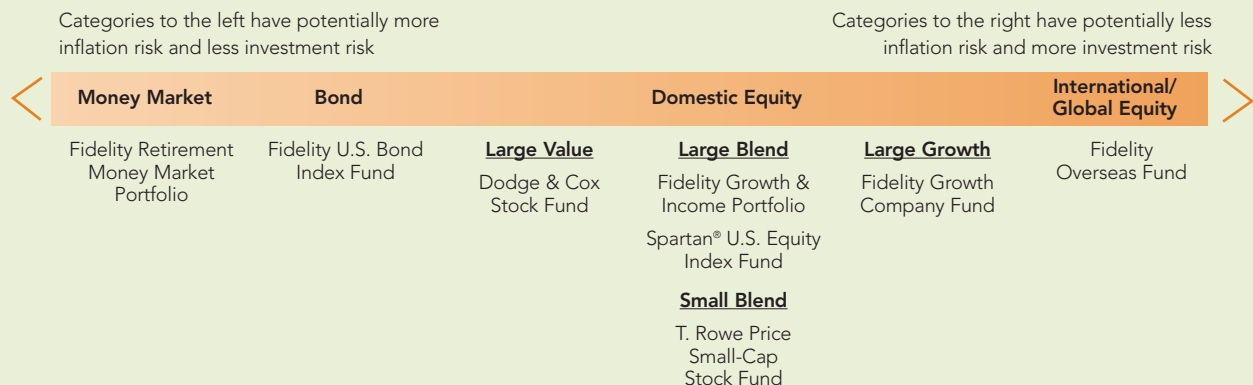
Each workshop is approximately 20 minutes long and is designed to be completed by participants at their own pace. Workshops include:

- Determining Your Retirement Savings Needs
- Creating an Investment Profile
- Allocating Your Retirement Savings
- Evaluating Investment Options
- Planning for Tax Consequences

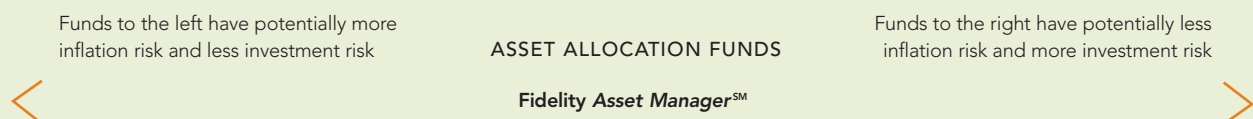
Check out Fidelity e-Learning[®] workshops at <http://e-learning.fidelity.com>.

INVESTMENT OPTION RISK SPECTRUMS

The spectrums below show all the 401(k) Plan's investment options. Each of us needs to decide what degree of risk—a little or a lot—we are most comfortable with when we select investment options for our retirement savings. Reviewing these spectrums can help you select the best options for your own needs.



This spectrum, with the exception of the Domestic Equity category, is based on Fidelity's analysis of the characteristics of the general investment categories and not on the actual investment options and their holdings, which can change frequently. Investment options in the Domestic Equity category are based on the options' Morningstar categories as of September 30, 2004. Morningstar categories are based on a fund's style as measured by its underlying portfolio holdings over the past three years and may change at any time. These style calculations do not represent the investment options' objectives and do not predict the investment options' future styles. Investment options are listed in alphabetical order within each investment category. Risk associated with the investment options can vary significantly within each particular investment category and the relative risk of categories may change under certain economic conditions. For a more complete discussion of risk associated with the mutual fund options, please read the prospectuses before making your investment decisions. The spectrum does not represent actual or implied performance.



The portfolio manager of the Fidelity Asset Manager[®] funds has the flexibility to periodically shift investments among the three asset classes (stock, bond, short-term investments), depending on the current outlook for the various markets. The risk level of the Fidelity Asset ManagerSM fund cannot be portrayed as a single point on the standard objective spectrum along with the other investment options because it can change periodically according to how the assets are invested. Placement of the Asset Manager fund on this spectrum is in relation to the other Fidelity Asset Manager funds, which have different investment strategies.

INVESTMENT options

Your lineup of investment options

Now is a good time to reexamine your current investment strategy and to make sure that your account is invested the way you want it! The following pages provide more detailed information on each of the funds available in the **US Army NAF Employee 401(k) Savings Plan**. For more complete information on Fidelity mutual funds, including historical fund performance, visit www.401k.com and read the mutual fund prospectuses, or contact the Fidelity Retirement Benefits Line at 1-800-835-5093.

FIDELITY RETIREMENT MONEY MARKET PORTFOLIO

Fund code: 00630

Ticker: FRTXX

What it is: A money market mutual fund.

Goal: Seeks to provide as high a level of current income as is consistent with the preservation of principal and liquidity.

What it invests in: Invests in U.S. dollar-denominated money market securities and repurchase agreements for those securities. The fund may also enter into reverse repurchase agreements. The fund also invests more than 25% of its assets in the financial services industry. An investment in this portfolio is not guaranteed or insured by the FDIC or any other government agency. Although this money market fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in this fund. Yield will vary.

Who may want to invest:

- Someone who is interested in balancing an aggressive portfolio with an investment that seeks to provide stability of principal.
- Someone who anticipates using a portion of this money soon, possibly for retirement income, and who is looking for the value of the investment to remain stable.

FIDELITY U.S. BOND INDEX FUND

Fund code: 00651

Ticker: FBIDX

What it is: An income mutual fund.

Goal: Seeks to provide investment results that correspond to the total return of the bonds in the Lehman Brothers Aggregate Bond Index.

What it invests in: Primarily invests at least 80% of its assets in bonds included in the Lehman Brothers Aggregate Bond Index. In general, bond prices rise when interest rates fall, and vice versa. This effect is usually more pronounced for longer-term securities. Share price and return will vary.

Who may want to invest:

- Investors who are looking for a higher return than a money market fund, and who are willing to accept the greater investment risk of bonds of companies and government agencies.
- Someone who hopes to match the performance of the overall bond market as measured by the Lehman Brothers Aggregate Bond Index.

The Lehman Brothers Aggregate Bond Index is an unmanaged market value-weighted index of investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of one year or more.

DODGE & COX STOCK FUND

Fund code: 94769

Ticker: DODGX

What it is: A domestic equity mutual fund.

Goal: Seeks to provide long-term growth of principal and income. A secondary objective is to provide reasonable current income.

What it invests in: Primarily invests in a broadly diversified portfolio of common stocks. In selecting investments, the fund invests in companies that appear to be temporarily undervalued by the stock market but have a favorable outlook for long-term growth. The fund focuses on the underlying financial condition and prospects of individual companies, including future earnings, cash flow and dividends. Companies are also selected with an emphasis on financial strength and sound economic condition. Share price and return will vary.

Who may want to invest:

- Someone who wants both long-term growth and income.
- Someone who wants to invest in the fund over the long-term and is comfortable with the ups and downs of the stock market.

Managed by Dodge & Cox, which provided the description for this fund.

FIDELITY GROWTH & INCOME PORTFOLIO**Fund code:** 00027**Ticker:** FGRIX**What it is:** A growth and income mutual fund.**Goal:** Seeks to provide high total return through a combination of current income and capital appreciation.

What it invests in: Primarily invests a majority of its assets in common stocks, with a focus on those that pay current dividends and show potential for capital appreciation. The fund may potentially invest in bonds, including lower-quality debt securities, as well as in stocks that are not currently paying dividends, but that offer prospects for future income or capital appreciation. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. The fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Who may want to invest:

- Someone who wants the potential for long-term growth, and who is willing to ride out the fluctuation of the stock market for the potential of a higher return.
- Someone interested in a combination of income and growth.

SPARTAN® U.S. EQUITY INDEX FUND**Fund code:** 00650**Ticker:** FUSEX**What it is:** A growth and income mutual fund.

Goal: Seeks to provide investment results that correspond to the total return (i.e., the combination of capital changes and income) performance of common stocks publicly traded in the United States.

What it invests in: Normally invests at least 80% of its assets in common stocks included in the S&P 500® Index, which broadly represents the performance of common stocks publicly traded in the United States. Share price and return will vary.

Who may want to invest:

- Someone willing to ride out stock market fluctuations for potentially high long-term return.
- Someone who wants to pursue long-term growth through a portfolio of securities that broadly represent the stock market as measured by the S&P 500® Index.

The S&P 500® Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes the reinvestment of dividends.

FIDELITY GROWTH COMPANY FUND**Fund code:** 00025**Ticker:** FDGRX**What it is:** A growth mutual fund.**Goal:** Seeks to provide capital appreciation.

What it invests in: Primarily invests primarily in common stocks. The fund invests in companies that the manager believes have above-average growth potential. The fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Who may want to invest:

- Someone who wants the potential for long-term growth, and who is willing to ride out the fluctuation of the stock market for the potential of a higher return.
- Someone who wants to diversify a conservative portfolio by investing a portion of his or her money in a growth fund.



T. ROWE PRICE SMALL-CAP STOCK FUND

Fund code: 92556

Ticker: OTCFX

What it is: A growth mutual fund.

Goal: Seeks to provide long-term capital growth by investing primarily in stocks of small companies.

What it invests in: Primarily invests at least 80% of its net assets in stocks of small companies. A small company is defined as having a market capitalization that falls within the range of companies in the Russell 2000® Index or below the three-year average maximum market cap of companies in the index as of December 31 of the three preceding years. The Russell 2000 Index is a widely used benchmark for small-cap stock performance. Stock selection may reflect either a growth or value investment approach. While investing in small to medium-sized companies is generally riskier than investments in more established companies, it may offer greater capital appreciation potential. Share price and return will vary.

Who may want to invest:

- Someone seeking significant capital appreciation who can accept the possibility of more share price volatility than is associated with larger companies or the broad market averages.

Managed by T. Rowe Price Associates, which provided the description for this fund.

The Russell 2000 Index is an unmanaged market capitalization–weighted index of 2,000 small company stocks.

FIDELITY OVERSEAS FUND

Fund code: 00094

Ticker: FOSFX

What it is: A growth mutual fund that invests internationally.

Goal: Seeks to provide long-term growth of capital.

What it invests in: Primarily invests at least 80% of its assets in foreign securities. The fund normally invests primarily in common stocks. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. If you sell any of your shares after holding them for less than 30 days, the fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares sold. Share price and return will vary.

Who may want to invest:

- Someone who is willing to ride out the fluctuation of the stock market for the potential of higher returns, and who is comfortable with the risk involved with investing overseas.
- Someone who wants to complement the performance of U.S. investments with overseas investments, which can behave differently.

FIDELITY ASSET MANAGERSM

Fund code: 00314

Ticker: FASMXX

What it is: An asset allocation mutual fund.

Goal: Seeks to provide a high total return with reduced risk over the long term by allocating its assets among stocks, bonds, and short-term instruments.

What it invests in: The manager allocates the fund's assets among stocks, bonds, and short-term and money market instruments. The fund's investments will normally fluctuate around a neutral mix of 50% of assets in stocks (can range from 30% to 70%), 40% of assets in bonds (can range from 20% to 60%), and 10% of assets in short-term/money market instruments (can range from 0% to 50%). The manager regularly reviews the fund's allocations, and makes changes gradually to favor investments believed to provide the most favorable outlook for achieving the fund's objective. The fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Who may want to invest:

- Someone who wants the portfolio manager to have a moderate amount of flexibility, within defined ranges, in deciding how to allocate the fund's assets.
- Someone who wants to diversify among stocks, bonds, short-term and money market instruments, and other types of securities, and who can tolerate the ups and downs of the stock market.



► **CONNECT BY COMPUTER!**

The US Army NAF Employee Benefits Office makes it easy to connect with Fidelity and your 401(k) account. Just go to the Benefits web site, www.NAFBenefits.com and use the convenient links in the 401(k) section. They will take you right to where you need to be in NetBenefits, where you can get online access to your account virtually any time of the day or night.

CONNECT BY PHONE

You can access your Plan account virtually 24 hours a day, 7 days a week, through Fidelity's automated voice response system (VRS), toll free at **1-800-835-5093**. Representatives are available to assist you Monday through Friday (excluding New York Stock Exchange holidays) between 8:30 a.m. and 8 p.m. in your time zone.

INTERNATIONAL CALLERS

Dial the ATT Direct Access number for the country you are in, then dial **1-877-833-9900**. Tell the operator that your Plan number is 90076, and you'll be transferred to a Fidelity Customer Service Representative who can answer your questions on the 401(k) Savings Plan.

VIEW THE INVESTMENT DICTIONARY

You can reference the online Investment Dictionary through www.401k.com for term definitions. Go to www.401k.com, click *Tools* at the top of the page, click *Investment Dictionary*, then click the term you would like defined.

first | PERSON



Unless otherwise noted, transaction requests confirmed after the close of the market, normally 4 p.m. Eastern time, or on weekends or holidays, will receive the next available closing prices.

The investment options available through the Plan reserve the right to modify or withdraw the exchange privilege.

Fidelity PortfolioPlanner is an Internet-based educational tool designed to help participants determine their retirement savings goal. Fidelity PortfolioPlanner allows participants the opportunity of evaluating their savings strategy, of identifying a target asset allocation, and of viewing a model portfolio that is customized to the investment options available within their particular plan. FPP also offers educational content, including worksheets and calculators. Fidelity PortfolioPlanner uses a look-through methodology, which analyzes the underlying holdings of each investment option available in the Plan. Fidelity PortfolioPlanner is a service of Strategic Advisers, Inc., a registered investment adviser and a Fidelity Investments company.

Fidelity Management & Research Company manages Fidelity mutual funds.

Fidelity's Retirement Planning Tools are educational tools, and are not intended to serve as the primary basis for investment decisions. These tools are not intended to project or predict the present or future value of actual investments, holdings, or lifetime income.

Fidelity Retirement Income Advantage is a service of Fidelity Brokerage Services LLC, member NYSE, SIPC, 100 Summer Street, Boston, MA 02110.

Institutional retirement products and services are offered by Fidelity Investments Institutional Services Company, Inc., 82 Devonshire Street, Boston, MA 02109.

Before investing in any mutual fund, please carefully consider the investment objectives, risks, charges and expenses. For this and other information, call or write Fidelity for a free prospectus. Read it carefully before you invest.

Fidelity Investments Institutional Services Company, Inc., 82 Devonshire Street, Boston, MA 02109